

IN THE UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF IOWA
EASTERN DIVISION

UNITED STATES OF AMERICA,)	No. 22-CR- 2043
)	
Plaintiff,)	
)	INFORMATION
vs.)	
)	
LYNCH FAMILY COMPANIES, INC.,)	Count 1
formerly known as “Lynch Livestock,)	7 U.S.C. § 221: Failing to Comply
Inc.,”)	with an Order of the Secretary of
)	Agriculture
Defendant.)	
)	

The United States Attorney charges:

Introduction

At all relevant times to this Information:

1. Defendant LYNCH FAMILY COMPANIES, INC., formerly known as “Lynch Livestock, Inc.,” is a corporation organized and existing under the laws of the State of Iowa. Defendant’s headquarters is at Waucoma, Fayette County, Iowa, in the Northern District of Iowa.

2. Defendant LYNCH FAMILY COMPANIES, INC. was engaged in the business of buying and selling livestock, including swine. Defendant was registered with the Secretary of the United States Department of Agriculture (“USDA”) as a “dealer,” as that term is defined and used in the Packers and Stockyards Act of 1921 (“the Act”), 7 U.S.C. § 201 *et seq.*, and the regulations promulgated thereunder. Defendant operated livestock buying stations throughout the Northern District of

Iowa and elsewhere. Defendant bought swine from livestock producers and sellers at these stations, and the prices defendant paid the producers and sellers was based in part on the weights of the swine.

3. In 2017, defendant LYNCH FAMILY COMPANIES, INC. entered into a consent decision with the USDA by which defendant agreed to cease and desist from, among other things, falsifying the account of purchase provided to livestock sellers by recording a false weight for swine, and creating false scale tickets. The consent decision also required defendant to, among other things, transmit the weights to producers' statement of account and assure producers were paid in accordance with the correct weight of the livestock delivered.

Count 1

Failing to Comply with an Order of the Secretary of Agriculture

4. Paragraphs 1 through 3 above are re-alleged and incorporated herein by reference as if fully set forth herein.

5. Beginning no later than about 2018, and continuing through at least March 2021, in the Northern District of Iowa and elsewhere, defendant LYNCH FAMILY COMPANIES, INC. knowingly failed to keep records that fully and correctly disclosed all transactions involved in defendant's business in the manner and form prescribed by the USDA in the 2017 consent decision. Specifically, defendant's employees including Individual-1 used a crowbar or other similar object to manipulate the scales on which livestock producers' swine was weighed at defendant's buying stations. As a result of Individual-1's manipulation of the scale,

defendant, Individual-1, and Individual-2, together with other employees of defendant, created, kept, and provided to the livestock producers scale tickets that contained false information because they understated the actual weight of swine. As a result of the manipulation of the scales with the crowbar or similar object and the false and fraudulent scale tickets that bore the reduced weights of swine, Individual-1, and Individual-2, together with other employees of defendant, caused defendant to pay the livestock producers less than what defendant owed to the producers.

This was in violation of Title 7, United States Code, Section 221.

TIMOTHY T. DUAX
Acting United States Attorney

By: */s/ Timothy L. Vavricek*

TIMOTHY L. VAVRICEK
Assistant United States Attorney